

JPMorgan Chase Bank, N.A.  
c/o JPMorgan Treasury Services  
Global Trade Services  
10420 Highland Manor Drive  
Tampa, FL 33610

MAY 12, 2008  
OUR L/C NO.: TPTS-610305

081V4247(LTS)

TO:  
EMPRESA NACIONAL DE  
TELECOMUNICACIONES ENTEL S.A.  
(REFER TO LC FOR FULL DETAILS)  
LA PAZ - BOLIVIA

APPLICANT:  
E.T.I. EURO TELECOM  
INTERNATIONAL N.V.  
STRAWINSKYLAAN 1627  
1077 XX AMSTERDAM  
THE NETHERLANDS

WE ENCLOSE HEREWITH (AS A PERMANENT PART OF THIS LETTER OF CREDIT) AN  
IRREVOCABLE STANDBY LETTER OF CREDIT OPENED IN YOUR FAVOR SUBJECT TO ISP98

TRANSACTION REFERENCE NUMBER: TPTS-610305

DATE AND PLACE OF EXPIRY: MAY 12, 2009  
AT OUR COUNTER

DOCUMENTARY CREDIT AMOUNT: USD250,000.00

AUTO EXTENSION: YES

EXTENSION PERIOD: 12 MONTH(S)

NOTIFICATION PERIOD: 30 DAY(S)

FINAL EXPIRY DATE: MAY 31, 2011

EXCEPT AS FAR AS OTHERWISE EXPRESSLY STATED HEREIN, THIS LETTER OF CREDIT  
IS SUBJECT TO THE INTERNATIONAL STANDBY PRACTICES ("ISP98"), INTERNATIONAL  
CHAMBER OF COMMERCE PUBLICATION NO. 590 AND AS TO MATTERS NOT ADDRESSED BY  
THE ISP98 THIS LETTER OF CREDIT SHALL BE GOVERNED BY, AND CONSTRUED IN  
ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO  
PRINCIPLES OF CONFLICT OF LAWS.

PLEASE REVIEW THE DETAILS OF THIS ENCLOSURE AND THE ATTACHED LETTER OF  
CREDIT IMMEDIATELY AND CONTACT OUR CLIENT SERVICE GROUP AT THE TELEPHONE  
NUMBER OR E-MAIL ADDRESS PROVIDED WITHIN THE LETTER OF CREDIT IF YOU HAVE

**JPMorganChase** 

**JPMorgan Chase Bank, N.A.**  
c/o JPMorgan Treasury Services  
Global Trade Services  
10420 Highland Manor Drive  
Tampa, FL 33610

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ANY QUESTIONS.



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AUTHORIZED SIGNATURE

**JPMorgan Chase Bank, N.A.**  
c/o JPMorgan Treasury Services  
Global Trade Services  
10420 Highland Manor Drive  
Tampa, FL 33610

MAY 12, 2008  
OUR L/C NO.: TPTS-610305

**BENEFICIARY:**

EMPRESA NACIONAL DE TELECOMUNICACIONES ENTEL S.A.  
EDIFICIO TOWER  
CALLE FEDERICO ZUAZO NO 1771 ESQ. CALLE TIHUANACU  
LA PAZ - BOLIVIA

**APPLICANT:**

E.T.I. EURO TELECOM INTERNATIONAL N.V.  
STRAWINSKYLAAN 1627  
1077 XX AMSTERDAM  
THE NETHERLANDS

**AMOUNT:**

USD250,000.00 (TWO HUNDRED AND FIFTY THOUSAND UNITED STATES DOLLARS)

RE: E.T.I. EURO TELECOM INTERNATIONAL N.V. V. REPUBLIC OF BOLIVIA  
UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

FOR THE ACCOUNT OF E.T.I. EURO TELECOM INTERNATIONAL N.V., WE HEREBY ISSUE  
OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. TPTS-610305 IN FAVOR OF  
EMPRESA NACIONAL DE TELECOMUNICACIONES ENTEL S.A. ("BENEFICIARY"), IN  
THE AMOUNT OF USD 250,000.00 (TWO HUNDRED AND FIFTY THOUSAND UNITED STATES  
DOLLARS) (THE "MAXIMUM AMOUNT") EXPIRING AT OUR COUNTERS ON MAY 12,  
2009, SUBJECT TO EXTENSION OR EARLY EXPIRATION AS DESCRIBED BELOW.

WE HAVE BEEN ADVISED AND HAVE NOT INDEPENDENTLY VERIFIED THAT THIS LETTER  
OF CREDIT HAS BEEN ISSUED TO SECURE APPLICANT'S OBLIGATION TO PAY  
BENEFICIARY ALL COSTS AND DAMAGES, INCLUDING REASONABLE ATTORNEY'S FEES,  
WHICH MAY BE SUSTAINED BY REASON OF APPLICANT'S ATTACHMENT OF CERTAIN OF  
BENEFICIARY'S PROPERTY IF BENEFICIARY RECOVERS JUDGMENT OR IT IS FINALLY  
DECIDED THAT APPLICANT WAS NOT ENTITLED TO ATTACHMENT OF BENEFICIARY'S  
PROPERTY.

THIS STANDBY LETTER OF CREDIT IS AVAILABLE AGAINST PRESENTATION OF YOUR  
DRAFT DRAWN AT SIGHT ON JPMORGAN CHASE BANK, N.A. BEARING OUR STANDBY  
LETTER OF CREDIT NO. TPTS-610305, ACCOMPANIED BY:

JPMorgan Chase Bank, N.A.  
 c/o JPMorgan Treasury Services  
 Global Trade Services  
 10420 Highland Manor Drive  
 Tampa, FL 33610

MAY 12, 2008  
 OUR L/C NO.: TPTS-610305

A) A WRITTEN STATEMENT SIGNED BY AN AUTHORIZED REPRESENTATIVE OF BENEFICIARY STATING "PAYMENT IS DUE TO US FROM E.T.I. EURO TELECOM INTERNATIONAL N.V. PURSUANT TO THAT FINAL AND NON-APPEALABLE ORDER IN THE MATTER OF E.T.I. EURO TELECOM INTERNATIONAL N.V. V. REPUBLIC OF BOLIVIA, UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK. THE AMOUNT OF THE SIGHT DRAFT DOES NOT EXCEED THE AMOUNT AWARDED TO THE BENEFICIARY BY THE DISTRICT COURT. AT LEAST 3 DAYS PRIOR TO THE DATE OF OUR DEMAND, WRITTEN NOTICE OF OUR INTENTION TO DRAW HEREUNDER WAS SENT TO E.T.I. EURO TELECOM INTERNATIONAL N.V."

B) COPY OF THE ORDER OF THE UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK REFERRED TO IN PARAGRAPH (A) ABOVE.

ALL CORRESPONDENCE AND ANY DRAWINGS HEREUNDER ARE TO BE DIRECTED TO JPMORGAN TREASURY SERVICES, STANDBY LETTER OF CREDIT DEPT. 4TH FL. 10420 HIGHLAND MANOR DRIVE, TAMPA, FLORIDA 33610. CUSTOMER INQUIRY NUMBER IS 1-866-632-5101 AND CHOOSE OPTION NO. 3.

WE HEREBY AGREE WITH YOU THAT DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS AND CONDITIONS OF THIS LETTER OF CREDIT WILL BE DULY HONORED.

MULTIPLE DRAWINGS UNDER THIS LETTER OF CREDIT ARE NOT PERMITTED.

IT IS A CONDITION OF THIS IRREVOCABLE LETTER OF CREDIT THAT IT SHALL AUTOMATICALLY BE EXTENDED WITHOUT AMENDMENT FOR ADDITIONAL ONE YEAR PERIODS FROM THE PRESENT OR EACH FUTURE EXPIRATION DATE, UNLESS AT LEAST THIRTY (30) DAYS PRIOR TO SUCH DATE WE SEND YOU NOTICE IN WRITING BY REGISTERED MAIL RETURN RECEIPT REQUESTED OR HAND DELIVERY AT THE ABOVE ADDRESS, THAT WE ELECT NOT TO EXTEND THIS LETTER OF CREDIT FOR SUCH ADDITIONAL PERIOD. HOWEVER IN NO EVENT SHALL THIS LETTER OF CREDIT BE EXTENDED BEYOND THE FINAL EXPIRY DATE OF MAY 31, 2011.

NOTWITHSTANDING ANY OTHER PROVISION HEREIN, THIS LETTER OF CREDIT SHALL EXPIRE UPON OUR RECEIPT OF A WRITTEN STATEMENT BEARING OUR STANDBY LETTER OF CREDIT NO. TPTS-610305 AND SIGNED BY AN AUTHORIZED REPRESENTATIVE OF (A) APPLICANT STATING THAT THIS LETTER OF CREDIT IS NO LONGER REQUIRED, WHICH STATEMENT MUST BE ACCOMPANIED BY A COPY OF A FINAL AND NON-

JPMorgan Chase Bank, N.A.  
c/o JPMorgan Treasury Services  
Global Trade Services  
10420 Highland Manor Drive  
Tampa, FL 33610

MAY 12, 2008  
OUR L/C NO.: TPTS-610305

APPEALABLE ORDER OF THE UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK CONFIRMING THAT THIS LETTER OF CREDIT IS NO LONGER REQUIRED, ACCOMPANIED BY THE ORIGINAL LETTER OF CREDIT INSTRUMENT AND ALL AMENDMENTS, IF ANY, OR (B) EACH OF BENEFICIARY AND APPLICANT STATING THAT THIS LETTER OF CREDIT IS NO LONGER REQUIRED, ACCOMPANIED BY THE ORIGINAL LETTER OF CREDIT INSTRUMENT AND ALL AMENDMENTS, IF ANY.

AFTER EXPIRATION, THIS LETTER OF CREDIT WILL BE NULL AND VOID IRRESPECTIVE OF THE ACTUAL RETURN OF THIS DOCUMENT, AND NO NOTICE OF CANCELLATION WILL BE REQUIRED.

EXCEPT AS FAR AS OTHERWISE EXPRESSLY STATED HEREIN, THIS LETTER OF CREDIT IS SUBJECT TO THE INTERNATIONAL STANDBY PRACTICES ("ISP98"), INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 590 AND AS TO MATTERS NOT ADDRESSED BY THE ISP98 THIS LETTER OF CREDIT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO PRINCIPLES OF CONFLICT OF LAWS.

THE NUMBER AND THE DATE OF OUR CREDIT AND THE NAME OF OUR BANK MUST BE QUOTED ON ALL DRAFTS REQUIRED.



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AUTHORIZED SIGNATURE

*Sub 1, 2, 5.*

Robert L. Sills (RS 8896)  
Steven J. Fink (SF 3497)  
ORRICK, HERRINGTON & SUTCLIFFE LLP  
666 Fifth Avenue  
New York, New York 10103  
Telephone: (212) 506-5000  
Facsimile: (212) 506-5151  
Attorneys for Plaintiff

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

**E.T.I. EURO TELECOM INTERNATIONAL N.V.,**

Plaintiff,

-against-

**REPUBLIC OF BOLIVIA and  
EMPRESA NACIONAL DE  
TELECOMUNICACIONES ENTEL S.A.,**

Defendants.

08 CV 4247/LTS)

**EX PARTE  
ORDER OF ATTACHMENT**

Upon the declaration of Franco Bertone executed on May 4, 2008, the declaration of Robert L. Sills executed on May 5, 2008, the declaration of Fabio Incutti, executed on May 5, 2008, and upon all prior papers and proceedings heretofore had herein, it is

ORDERED, that E.T.I Euro Telecom International N.V.'s motion for the issuance of an *ex parte* Order of Attachment be and hereby is granted; and it is further

ORDERED that the amount to be secured by this order of attachment is an amount no less than approximately \$12,803,102 and €14,932,152; and it is further

ORDERED that the United States Marshal for the Southern District of New York, or any person appointed to act in his place or stead, shall levy within this jurisdiction upon such monies, property, and/or interest in the property of Defendants Empresa Nacional de Telecomunicaciones Entel S.A. ("Entel") and the Republic of Bolivia ("Bolivia") as are on deposit, including without

*(DC)*

limitation time deposits, with the New York branch of JP Morgan Chase Bank N.A. ("JP Morgan"), located at 4 New York Plaza, Floor 15, New York, New York, 10004, including without limitation account number 304-279-757; the New York branch of Unicredito Italiano S.p.A. d/b/a Unicredit S.p.A. ("Unicredito"), located at 150 East 42nd Street, New York, New York 10017, including without limitation account number 3100042572; and the New York branch of Intesa Sanpaolo S.p.A. d/b/a Banca Intesa (collectively with JP Morgan and UniCredito, the "Garnishees"), located at One William Street, New York, New York 10004, including without limitation account numbers 8601-081-0001 and 8601-081-0099; and shall pay or deliver all such funds, monies, property, and/or interests in property to the Clerk of this Court for the purpose of satisfying any arbitral award that may be obtained against Bolivia by ETI; and it is further

ORDERED that, the Court hereby appoints the following persons to act in the place and stead of the U.S. Marshal for the purpose of serving this Order and effecting the levy ordered hereby: Arthur Bernard and Thomas Backiel, both of whom are employed by counsel for Plaintiff; and it is further

ORDERED that service of a copy of this Order upon Garnishees by facsimile, electronic transmission, overnight courier, or personal delivery, shall be deemed sufficient service thereof; and it is further

ORDERED that the statement required by CPLR § 6219 shall be served by Garnishees upon the U.S. Marshal, and a copy served on Orrick, Herrington & Sutcliffe LLP, Plaintiff's counsel, within five (5) days after service of this Order; and it is further

ORDERED that, pursuant to CPLR § 6211, Plaintiff shall move within a period not to exceed five days after levy, for an order confirming the order of attachment, with notice of 15 *bns/te*

*dc*

days to Defendants and Garnishees, and serve on Defendants all papers upon which this Order is based; and it is further

ORDERED that Defendants and Garnishees shall serve and file papers, if any, in opposition to such motion within 10 business days after such service, and that Plaintiff shall serve and file its reply papers, if any, within 3 business days after receipt by Plaintiff's counsel of such papers in opposition; and it is further

ORDERED that service of such motion and the papers on which this order is based upon the Garnishees shall be made by hand, and upon Defendants by Federal Express or other recognized international courier service for the promptest available delivery, addressed as follows:

His Excellency  
David Choquehuanca Cespedes  
Ministero de Relaciones Exteriores y Culto  
Plaza Murillo - c. Ingavi esq. c. Junin  
La Paz  
Bolivia

-and-

His Excellency  
Ambassador Gustavo Guzman  
Embassy of the Republic of Bolivia  
3014 Massachusetts Avenue, NW  
Washington, DC 20008

in the case of Republic of Bolivia; and

Empresa Nacional de Telecomunicaciones Entel S.A.  
Edificio Tower  
Calle Federico Zuazo No. 1771  
La Paz  
Bolivia

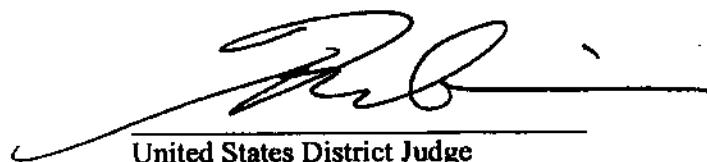
in the case of Entel, and that such service shall, in all respects, be deemed good and sufficient; and it is further

ORDERED that, pursuant to CPLR § 6212, Plaintiff shall deposit with the Clerk of the Court, within five (5) business days, a standby Letter of Credit or other undertaking in the amount of \$ 250,000 as security. dc

✓ IT IS SO ORDERED.

✓ Dated: New York, New York  
May 5, 2008

✓ Issued at 2:36 p.m.

  
United States District Judge  
Part I